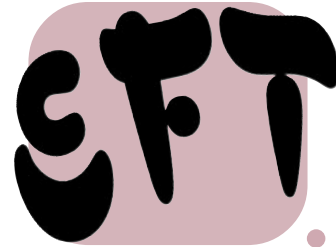




Withholding Tax Electronic Funds Transfer

ACH Credit Method

Utah State Tax Commission
Electronic Funds Transfer Unit
210 North 1950 West
Salt Lake City, Utah 84134-3777
Phone: (801) 297-7626
Fax: (801) 297-7698
www.tax.utah.gov



If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811, or TDD (801) 297-2020. Please allow three working days for a response.

General Information

Electronic Funds Transfer (EFT) is a method of electronically transmitting tax information and payments to the Tax Commission in lieu of paper-based documents. Electronic transmission of these documents is considered legal and enforceable. This publication explains how to remit withholding tax payments using the ACH Credit method.

approved by the Tax Commission. The specifications and procedures are contained in Pub. 32MR, "Instructions for Annual Reporting of W-2, 1099R, and TC-675R Information." The annual reconciliation and W-2 information is due by the last day of February of the following year.

Getting Authorized

The Utah State Tax Commission must authorize electronic remittance of state withholding tax payments in advance. To request authorization, complete and submit the form included in this publication. A letter will be sent back to you to confirm acceptance into the EFT program.

Getting Started

The taxpayer must authorize his bank to originate an Automated Clearing House (ACH) CCD + Addendum and transfer of the withholding tax amount due by the payment deadline. The bank will require a specific **Settlement Date** that the money is actually paid to the Tax Commission. The electronically remitted tax payment will be deducted from the taxpayer's account and credited to the Tax Commission's withholding tax account on the **Settlement Date** specified by the taxpayer in the transfer authorization.

Tax payments that are remitted by EFT must conform to the addendum transfer format and content requirements included in this publication. By correctly following the addendum, the taxpayer's withholding account can be credited properly.

A valid monthly filing or quarterly filing **End Date** must be used when coding field 7 of the addendum transfer format and content requirements. This will ensure that payments are credited properly. Using the transmission date or the due date in this field will delay processing. Valid End Dates are shown later in this publication.

Rules and Guidelines

All statutes and rules concerning Utah State withholding taxes for reporting periods and payment deadlines remain in effect and are not changed by these electronic funds transfer procedures.

Tax payments remitted electronically should arrive in the Tax Commission withholding bank account no later than the day the tax is due. The banking industry's ACH system requires a minimum of one business day to operate, so EFT payments must be initiated at least one working day before the tax due date. The authorized transfer will be credited to the Tax Commission the next working day. Check with your bank for processing procedures.

Do not submit paper tax return coupons when withholding tax payments are remitted electronically. The only time a paper return should be submitted is when there is a problem and the tax payment cannot be remitted electronically. Amended returns (TC-96A) may not be filed electronically. Once the original EFT has been completed for a period, all other adjustments to that period must be made using paper coupons.

EFT may not be used to file the Utah Employer's Income Withholding Annual Reconciliation Return, TC-96R. Electronic reporting is available using the magnetic media format

Filing the First EFT

A pre-note (test transmission) is not required; however, if the taxpayer elects to send an EFT pre-note before the first payment is made, a **zero** amount should be sent. Sending an amount other than zero on a pre-note will create errors in the taxpayer's withholding account.

It is recommended that the taxpayer notify the Tax Commission in advance of the first EFT payment. This will enable the Tax Commission to establish a preliminary payment record and track the EFT in case of a problem. This step is only recommended for the first time an electronic remittance is sent.

Addendum Transfer Format and Content

The EFT must be made payable as follows:

Credit To: **Utah State Tax Commission**
 Bank: **Wells Fargo Bank**
 Routing No: **1240-00012**
 Account No: **51-08007-25**

Addendum Record Format and Content

The transfer must conform to the Tax Payment (TXP) Banking Convention. The addendum record must be completed to include the fields as shown in this publication.

Field	Characters	Contents	Description
1	3	TXP	Segment Identifier
2	1	*	Field Separator
3†	6	Annnnn	Withholding account number (e.g. Y12345)
4	1	*	Field Separator
5	4	0110	Tax Type Code
6	1	*	Field Separator
7†	6	yymmdd	Tax period end date
8	1	*	Field Separator
9	1	T	Amount Type Code
10	1	*	Field Separator
11†	2-10	\$\$\$\$\$¢	Tax payment amount. Dollars and cents only. No decimals, commas, or leading zeros. Do not zero fill.
12	5	*****	Field Separator
13†	6	AAAAAA	Taxpayer ID verification. First six characters of the taxpayer's name. No common words, such as "the."
14	1	\	Segment Terminator

† Variable field provided by the taxpayer

2003 Monthly EFT End Dates

Month	End Date on the Addendum	Due Date
January	030131	Feb. 28, 2003
February	030228	March 31, 2003
March	030331	April 30, 2003
April	030430	June 2, 2003
May	030531	June 30, 2003
June	030630	July 31, 2003
July	030731	Sept. 2, 2003
August	030831	Sept. 30, 2003
September	030930	Oct. 31, 2003
October	031031	Dec. 1, 2003
November	031130	Dec. 31, 2003
December	031231	Feb. 2, 2004

2003 Quarterly EFT End Dates

Quarter	End Date on the Addendum	Due Date
Jan. – March	030331	April 30, 2003
April – June	030630	July 31, 2003
July – Sept.	030930	Oct. 31, 2003
Oct. – Dec.	031231	Feb. 2, 2004

Contact

Electronic Funds Transfer Unit
 Utah State Tax Commission
 210 North 1950 West
 Salt Lake City, UT 84134-3777
 (801) 297-7626
 1-800-662-4335, ext. 7626
 dcampagna@utah.gov

Forms Hotline:
 (801) 297-6700

Authorization to Remit Utah State Withholding Tax Payments through Electronic Funds Transfer (EFT) ACH Credit

Taxpayers choosing to remit Utah State withholding tax payments using EFT must agree to the terms and conditions set forth below. Complete and sign this written request, and submit it to the Tax Commission at the address below.

Company Identification

Company Name

Address

City

State

Zip

Utah Withholding Tax Account Number

Federal Identification Number

Contact Person within the Company

Contact Person's Title

Phone

Company Authorization and Agreement

The above named taxpayer elects to initiate tax payments to the Utah State Tax Commission using electronic funds transfer through the ACH Credit method. Funds will be electronically remitted from the taxpayer's bank account to the Tax Commission's bank account.

The Taxpayer will follow all procedures and will conform to the addendum transfer format and content as specified by the Tax Commission. All statutes and rules for taxes in the State of Utah shall remain in effect.

The taxpayer may terminate this agreement by sending written notice to the Tax Commission's EFT Unit at least 10 days before taxes are due.

The signature of the taxpayer or authorized agent on this agreement shall be deemed to appear on each return/report transmitted by the taxpayer, as if actually so approving.

Authorized Signature

Title

Date

To Request EFT Authorization...

- Fill out and sign the authorization form above.
- Print or type the address at the right on an envelope.
- Affix postage to the envelope, seal the authorization form inside, and mail.

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